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P 090243Z NOV 07  
FM AMEMBASSY KABUL  
TO RUEHC/SECSTATE WASHDC PRIORITY 1383  
INFO RUEATRS/DEPT OF TREASURY WASHINGTON DC 0555  
RUCNAFG/AFGHANISTAN COLLECTIVE  
RUEHZG/NATO EU COLLECTIVE  
RUEKJCS/OSD WASHINGTON DC  
RUEKJCS/JOINT STAFF WASHINGTON DC  
RUEKJCS/SECDEF WASHINGTON DC  
RUEABND/DEA HQS WASHINGTON DC  
RHMFIUU/HQ USCENTCOM MACDILL AFB FL  
RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC  
RUEAIIA/CIA WASHINGTON DC  
RHEFDIA/DIA WASHINGTON DC  
RUCPDOG/DEPT OF COMMERCE WASHINGTON DC  
RUCNDT/USMISSION USUN NEW YORK 4270  
RUEHFR/AMEMBASSY PARIS 2992  
RUEHML/AMEMBASSY MANILA 1642  
RUEHBY/AMEMBASSY CANBERRA 0285  
RUEHOT/AMEMBASSY OTTAWA 1410  
RUEHNE/AMEMBASSY NEW DELHI 7168  
RUEHJA/AMEMBASSY JAKARTA 0069  
RUEHRL/AMEMBASSY BERLIN 2124  
RUEHUL/AMEMBASSY SEOUL 0091  
RUEHLO/AMEMBASSY LONDON 3778  
RUEHKO/AMEMBASSY TOKYO 1967

UNCLAS KABUL 003788

SIPDIS

DEPT FOR SCA/FO, SCA/RA, AND SCA/A (A/S BOUCHER, GASTRIGHT, DEUTSCH)  
DEPT PASS AID/ANE, OPIC  
DEPT PASS USTR FOR GERBER AND KLEIN  
DEPT PASS OPIC FORZAHNISER  
DEPT PASS TDA FOR STEIN AND GREENIP  
CENTCOM FOR CG CFC-A, CG CJTF-76, POLAD, JICENT  
NSC FOR JWOD  
TREASURY FOR ABAUKOL, BDAHL, AND MNUGENT  
MANILA PLEASE PASS ADB/USED  
PARIS FOR OECD/ENERGY ATTACHE  
OSD FOR SHIVERS, SHINN  
COMMERCE FOR DEES, CHOPPIN, AND FONOVICH  
TOKYO ALSO FOR AID COUNSELOR AANENSON

SENSITIVE  
SIPDIS

E.O. 12958 N/A  
TAGS: [ENRG](#) [EPET](#) [KPWR](#) [EAID](#) [PGOV](#) [AF](#)  
SUBJECT: AFGHANISTAN: NEW OIL AND GAS FIELD TENDER EXPECTED IN THREE MONTHS

Sensitive but Unclassified

11. (SBU) The Afghan Ministry of Mines intends to issue a tender for exploration of several blocks of the Amudarya Oil and Gas basin in north-western Afghanistan in February or March 2008 Post learned at the recent Oil and Gas Working Group meeting November 8. Note: The Amudarya basin is also where the fields for the proposed Sheberghan gas powered plant are located. However, the Sheberghan fields are not part of this tender. End Note. According to Norwegian Agency for Development and Cooperation (NORAD) consultants, the exploration and eventual resource extraction will occur under the rubric of Production Sharing Agreements (PSA)'s negotiated with the IROA, paving the way for private sector investment in Afghanistan's natural resources sector.

12. (SBU) Norway and the World Bank have also been working with the Ministry of Mines to draft a Hydrocarbons Law and accompanying regulations to ensure "rules of the game" are in place for the sector as soon as possible. After a rewrite, the law is currently under review and it and its accompanying regulations, are expected to be ratified in the near future. It remains unclear however if

the ratification will occur prior to March 2008. Lack of ratification will not delay issuance of the tender, but may impact contract negotiation and/or exploration timelines.

13. (SBU) According to NORAD and WB reps who recently met with him, Minister of Mines Adel is also eager to include oil exploration in the northeastern Afghan-Tajik basin in the proposed tender. He appears to be motivated by recent press reports claiming Tajikistan has retained the services of Tethys Petroleum to explore its half of the basin. NORAD consultants tell us it is unlikely the tender will be expanded and cite two reasons. First, NORAD, not the Ministry has the authority to decide if the tender's scope can or will be expanded. Second, NORAD believes that there is insufficient time to analyze and properly package the available Afghan-Tajik basin data in time for a March 2008 tender announcement. Post will continue to report developments as they occur. Note: Post's Oil and Gas Working Group meets approximately every six weeks and is attended by representatives of the Ministry of Mines, World Bank, Norwegian Embassy and its development arm NORAD, as well as ECON, USAID and the U.S. Embassy's Afghanistan Reconstruction Group (ARG). End Note.

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